MEMORANDUM

SUBJECT: The Situation in El Salvador

- The recent Salvadoran insurgent offensive failed to meet the guerrillas' military and political objectives, although the rebels did succeed in projecting an image of military viability. Despite claims that the offensive was designed only to pressure the government into negotiations, it appears that the rebels saw the operation as an opportunity to spark a national insurrection and seize political power. The Salvadoran Armed Forces are pleased with their success in brunting the offensive, but the government stands to lose credibility if it does not prosecute the killers of six Jesuit priests. No one has yet to be charged with the killings. We expect the guerrillas to maintain military pressure on the government through assassinations, hit-and-run attacks, and sabotage of economic targets. With worldwide attention focused on El Salvador, the rebels probably will portray their more routine military activities as a continuation of their recent offensive.
- 2. The apparent Sandinista shipment of anti-aircraft missiles this weekend to the Salvadoran rebels represents an escalation of Nicaraguan--and probably Cuban--support to the insurgents. The weapons discovered Saturday in the aircraft wreckage--including 24 SA-7s--represent a significant leap in the technology available to the Salvadoran rebels. We believe the missiles will be used primarily against the Salvadoran Air Force, but the potential hazards to civil aviation cannot be dismissed. If the rebels possess large quantities of SA-7s, they may be able to operate in larger groups, as they did routinely earlier in the war, and more effectively threaten major military targets.